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UNITED STATES DEPARTMENT OF AGRICULTURE
Extension Service
Washington 25, D. C.

SUMMARY OF EXTENSION SERVICE--FARM CREDIT ADMINISTRATION SEMINAR
FCA Conference Room
Washington, D. C., February 20, 1947
H. M. Dixon, Presiding

Introductory Statement. This seminar is the first this year in our annual series between the Extension Service and the bureaus and agencies of the USDA with which it carries on cooperative programs. The Extension Service has had organized educational work with the Farm Credit Administration since its beginning in 1933, and an excellent relationship has existed between the two organizations since that time.

The personnel who have spent one or more years on this cooperative program under the direction of E. B. Reid for the FCA have been: L. S. Ellis, C. G. Garman, W. B. Silcox, George T. Hudson, Robert L. Cochran, Julia O. Newton, Barbara Van Huelen, and Lucile W. Reynolds. James L. Robinson has been continuously on the job since 1934. H. A. Hunt, Cornelius King, and L. J. Washington have worked with negro groups.

Farm finance and credit is a broad subject which has a large place in economics extension work. In this conference today we want to discuss the status of this educational work, recent developments in financing farmers, and future needs for education in farm finance and credit.

THE EDUCATIONAL PROGRAM IN FARM FINANCE
James L. Robinson, Extension Economist

Aims and Methods: The single ultimate purpose of the two agencies in conducting a joint program has been to increase the income and raise the level of living of farm people through a sound use of credit. The two organizations have believed that cooperative effort would improve the credit services of one, and the educational program of the other.

Some extension work has made a direct frontal attack on one or more farm financing problems; for instance, assisting in organizing PCA's in 1933-34; debt adjustment work in 1932-35; special planning assistance for delinquent borrowers, 1936-42; and finally, pointing out dangers of inflation in land values, 1943 to the present. More often, an indirect approach has been chosen because the need for loans in the educational program being carried on offered a natural functional setting for credit information to be presented and made effective.

Virtually all of the means generally employed in educational and informational programs have been used in the field of farm finance. This includes news releases, printed and processed circulars, visual material, radio, public and field meetings, and individual and group conferences.

In 1945 State economists in 19 States reported on special programs on farm financing, while most States discussed financial phases of activities conducted under other projects or program titles. Nearly 1,700 counties reported credit assistance to farmers. In conducting the program, efforts have been divided between activities pointed directly toward the farmer and those designed to

improve the qualifications of the workers in the two organizations. Then joint educational work also has been done by each organization with other agencies.

Activities Directly With Farm People

Outlook. The outlook for prices and outlets for farm products are always basic factors in determining sound use of credit. Not only farmers in getting credit but lenders in granting it are eager consumers of outlook facts. Then, too, the various factors determining the availability, cost, and terms of loans are themselves important elements in the outlook information and are customarily included in the material presented in both national and State outlook reports.

Land Values. Inflated land values are a menace to both farmers and lenders, so the two agencies have tried to restrain rising prices by providing information on the farm land market and trends. Since before the war the Department has actively encouraged and aided these educational efforts by preparing many timely pamphlets, press releases, radio scripts, and analytical reports. Explanation of the forces that make land prices, including its long-time earning capacity as the basis for debt repayment, have been stressed. In a number of States, land-appraisal clinics or demonstrations have been jointly conducted by FCA and Extension.

Agricultural Policy. Both Extension and FCA are vitally concerned with sound programs for county and area agricultural development. Analyzing their area situation, reaching sound conclusions as to needed long-time adjustments, and financing the changes made are necessary steps in which the two agencies can assist farmers. They have worked together in county financial conferences, and in land use planning and income area classifications of land.

Individual Farm and Home Planning. The intimate relationship of this field of education to financing is shown by the strong support given it by FCA and the commercial banks as well as by the Farmers' Home Administration requiring it of clients. Following early work with inventories and cost accounts, Extension Services in several States now are encouraging more complete farm and home planning under programs of balanced farming, farm and home unit demonstrations, and other over-all efforts that call for careful attention to financing. Special financial planning also is a new Extension activity, while the budgeted loans of the PCA's involve sound farm planning.

Farm Advisory Committees. State reports indicate that this special service to veterans has demanded major emphasis on land values, sources and terms of credit, and other financial factors in farming. Decisions on investment of savings and borrowing money are nearly always involved in getting established in a farm business. FCA people have worked on committees, and loans have been made by FCA institutions.

Older Youth Work. Observation and limited experience indicate that financial phases of the farm business offer a broad opportunity for improving the educational services that Extension can provide young people, and likewise the extension of suitable loans poses a major problem for lenders. Certain States and some PCA's have been doing pioneer work with this age group.

4-H Club Work. Credit financing of 4-H Club projects has an important place in the work. Parents, of course, provide most of the money, and many do so on the basis of a business loan. However, local banks, PCAs, civic clubs, individuals, and special loan funds make credit available to 4-H Club members. Usually these loans are made with parents cosigning the notes. Sometimes the opportunity to teach the member sound credit practices is developed.

Farmers' Cooperatives. State extension services aid farmers in planning the financing of their cooperatives. This may occur at the time the organization is first formed, later as needs for expansion develop, or in case of consolidation of two or more organizations. The assistance given often includes (1) the analysis of the situation to determine probabilities of financial success, (2) working out appropriate plans for producer contributions of capital, and (3) pointing out suitable sources of available credit.

Activities With Personnel of the Two Agencies

With Extension Workers. Various series of conferences have been held at FCA district offices for interstate groups, at State colleges for college faculty, for headquarters staff, and for college students. County workers have been reached through annual Extension conferences, and FCA association and Extension district group meetings. These meetings have been only one of the means used to keep extension workers informed of the services, current needs, and developments in the lending institutions.

With FCA Workers. Special college courses have been held for appraisers and one-day to one-week special courses for association personnel. College staff people participate in FCA training programs for employees and management, and Extension agents take part on annual and other meetings of association members.

Joint Seminars. Seminar type conferences have been held on an interstate basis at FCA district offices with administrative groups, and with subject-matter groups of extension workers. The discussions have explored the needs of the Extension programs for various types of credit, the effect of these improved practices on the credit position of the farmer, and the extent to which FCA loans serve these specific needs.

Other Educational Work in Farm Finance

By Extension Services. The Extension Service has conducted cooperative programs with other lending agencies. For instance, a number of States have excellent joint educational activities with American and State Bankers' Associations intended to inform both bankers and farmers. The ABA program for 1947 emphasizes (1) loans for soil conservation, (2) banker-farmer conferences, and (3) credit services for rural young people.

By Farm Credit Administration. A program in many ways comparable to that with Extension has been carried on with vocational agricultural education. It has included teaching materials and personal participation in class instruction, loans to carry on FFA farming programs, and various types of conferences with Vo-Ag instructors.

Then series of seminar-type conferences for the benefit of personnel in the two agencies have been held between FCA and other USDA agencies, particularly SCS and PMA. These discussions have analyzed the application of FCA services to the respective agency programs and the effect of those programs on farmers' credit standing.

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EDUCATIONAL PROGRAMS NEEDED TO ENABLE FARMERS

TO UNDERSTAND CREDIT AND ITS USES

I. W. Duggan, Governor
Farm Credit Administration

Farmers can be helped to get a full understanding of the uses they can make of credit, of the sources from which they can obtain it, and of the principles that will guide them in financing. Normal value, budgeted loans, amortized repayments, revolving retains are tested principles that need to be taught.

One of our principal problems is to bring home to the farmer the fact that the land he farms is worth to him only the amount he can pay for it out of net income over a period of years. The public appraisal service study showed us there is a general lack of understanding of the meaning of normal agricultural value. It also showed there are but few areas in the country where a person can get an appraisal made by a qualified man.

Farmers also need to consider problems of production credit. One of the first declines that will come will be in the narrowing of the spread between the prices of what farmers sell and the prices of what they buy. This is felt already in citrus, tobacco, and potatoes. These price figures are the items which the farmer has to consider each year and which he must include in his budget plan for that year.

Then we need to inform the farmer about credit for marketing his farm products and the loans that can be made to individuals or to cooperative associations. Certainly there is need for restatement and redefinition of the place that farmers' cooperative associations have in the field of agriculture. With our present general educational and public relations program, we are endeavoring in every way possible to help farmers understand fully the cooperative principles on which FCA institutions operate.

Farmers also should feel much concern in the national debt and the interest rate paid on it, for the interest rate that farmers pay follows rather closely the interest rate that the Government pays.

There is a place for the country banker and for the city banker, so we do not think any educational program should promote only the Farm Credit Administration.

With the reduction we have made in our personnel both in our central and district offices we have found it somewhat difficult to give our educational program as much attention as its importance warrants. We will certainly welcome all the aid the Extension Service can give us in bringing about a better understanding in this field, and we appreciate the interest and cooperation we have had from them in the past.

EXTENSION'S RESPONSIBILITY FOR EDUCATION IN FARM FINANCING

M. L. Wilson, Director of Extension Work

Fundamental changes in the pattern of postwar farm production which everyone recognizes as a part of postwar adjustments, place a great deal of responsibility on the educational phases of our agricultural program. Helping farmers understand the implications of these adjustments and that war psychology is not going to last forever is no small task. Educational activity which follows through to the individual farmer on how to use credit and how to get credit must be a continuing thing.

The problem of normal farm land values and farm land appraisal is one of the most basic things in long-time agricultural prosperity. It is something that must be kept very high on the priority list in our educational program for the country.

The idea of budgeted credit is just as important today in agriculture as tractors or combines. It has a very profound effect on extension work, and shows up in many of our present-day developments, such as individual farm and home planning. Under the stimulation and guidance of the extension worker the farm family plans the use of its available land, labor, equipment, feed, and other supplies, in order to make the best use of these resources over a period of years.

Developments that are taking place now bring up many new problems. The problem of farm housing, for instance, is becoming more and more acute. We feel that many farmers who have husbanded their resources during the war period are looking forward to remodeling their houses or building better houses. This raises educational problems in farm credit for some families and for some areas.

We are awakening to the fact that there is a tremendously important period in the lives of farm people when they cease to be youth and begin to be young farmers. We want to retain in agriculture the best of these young people as they come along; we also want to give those who stay in agriculture the kind of educational opportunity that will enable them to fit into farm life. Obviously the credit element enters into both of these phases of our problem, since many farm boys and girls do not have the ready finances needed to obtain an education and to get started in farming.

As farmers grow in their skill and in their confidence in the results of scientific research, they increase their demands on the county extension office. This may be illustrated by what is happening in farm credit. A generation ago the farmers talked to the country banker about their credit problems. Now they want to talk these problems over with the county agent. The staff in the county, however, has not increased in any such proportions as this demand.

We have a responsibility in each State and each county to see that the informational channels that originate with Farm Credit are kept functioning, because we feel we are the Extension Service for the whole department. We want you and all your associates to feel that we are your Extension Service and want to do the best we can in this credit field.

SOURCES OF LOAN FUNDS FOR FARM CREDIT ADMINISTRATION INSTITUTIONS

George M. Brennan
Intermediate Credit Bank Commissioner

In the deliberations by the Congress at the time of the creation of both the Federal land banks and the Federal intermediate credit banks, considerable discussion centered on the need for a type of financing and instrument of credit that would bring to farmers and stockmen funds, when needed, at reasonable rates. The Congress furnished the original capital to put these institutions on their feet, but it also expected and intended that they would be self-supporting. It gave them and later the Central Bank for Cooperatives the right to offer to the investing public securities of a character that would command confidence in the money markets without a Government guaranty. These instruments of credit are known as FLB bonds and FICB debentures.

Other Congresses have come to the assistance of the banks in a capital way, but only on a temporary basis. They also have broadened and strengthened the system through the creation of the production credit corporations and associations and the banks for cooperatives. They also have consistently expanded the underlying cooperative features of the Farm Credit Administration.

Before an offering of securities is made, the FCA district boards of directors and the officials of the banks carefully estimate the needs for agricultural credit in the various areas. The fiscal agency representing the system in New York investigates the market to determine the necessary rate of interest and the volume that could be sold. The bond and debenture committees, composed of the respective bank presidents, decide on the amount of each issue, the rate of interest it is to bear, and the share for each bank. After approval by the FCA, the fiscal agency announces the sale and invites subscriptions which are usually closed within 24 hours. For the FICB's this sale of their short-term debentures is a monthly occurrence, but for the FLB's, with their long-term mortgage bonds, it may be only every year or so.

The financial operation of the Farm Credit Administration rests for the most part on the success of these sales of securities. The banks for cooperatives and to some extent the other banks make use of their capital funds. Each of the units also has the power to borrow money from commercial banks and in some instances also from the Federal Reserve Banks and the Reconstruction Finance Corporation. Funds obtained on such loans are later merged in the public offerings.

All this financial machinery could not function very long if the notes of the farmers were not paid when due. How well the farmers have responded is attested by the ready sale of the banks' securities in the investment markets of the country. No default on the part of any of the banks in meeting their obligations when due has ever occurred.

RECENT DEVELOPMENTS IN THE FEDERAL LAND BANKS AND
THEIR LENDING POLICY IN THE PRESENT ERA OF INFLATION

Carl Colvin, Deputy Land Bank Commissioner

During the 30-year period since the Federal land banks were established in 1917; they have made more than a million loans to farmers for a total of over \$3,500,000,000. At present the land banks have about 350,000 loans outstanding for an amount slightly less than \$1,000,000,000. In 1946 the banks closed nearly 30,000 loans for approximately \$130,000,000, and during 1945 farmers paid off \$225,000,000 in principal of loans.

The Federal land banks are in excellent financial condition, well cushioned with capital, legal reserves, and earned surplus. The Government has capital in only one bank at present, and its stock in this will be retired in a few months, and its funds in the surplus probably next year. The banks now hold practically no farms, and delinquencies on loans are at the lowest point in several years.

The Federal land banks have been lending on the basis of normal values of farms since 1933. When this policy was put into effect, farms were selling much below values that were considered normal. At present farms are selling at prices well above the normal values which land bank appraisers are placing on properties. Briefly, the normal agricultural value of a farm is the amount a representative farmer is willing and would be justified in paying for the property for agriculture and farm home use in times of normal prices and normal farm earnings. Normal commodity prices used in appraisal work represent our present best estimates of the average prices that may be expected to prevail over a long period of years in the future. The normal agricultural value is not a static value but is one which may change as farming and community conditions change.

During the past 5 years, great strides have been made in strengthening the banks and national farm loan associations as farmers' cooperative credit institutions. A program of rehabilitation and strengthening of national farm loan associations has been carried through with marked success. The number of national farm loan associations has been reduced from 5,034 in 1935 to 1,450 at the present, operating out of approximately 1,000 offices in the United States. In making these consolidations each association becomes responsible for a definite territory, and Federal land bank operations are decentralized. The handling of insurance on properties on which the banks have loans, extensions and deferments on loans, and the servicing of loans generally have been placed in the field with national farm loan associations. The banks have made available funds to the associations to pay off at par value the association stock of borrowers who have retired their loans. Then several of the banks have declared dividends during the last 5 years to the associations.

The annual meetings of member-borrowers in which they elect directors of the associations have been emphasized. Letters and house organs have been used to keep members informed of the cooperative features of the Federal Land Bank System, and to get them to take a more active interest in the affairs of their association. There is definite need for sound educational effort, and the land banks are interested in cooperating with the Extension Service.

RECENT DEVELOPMENTS IN THE PRODUCTION CREDIT SYSTEM AND THE EDUCATIONAL VALUE OF ITS LENDING PROGRAM

C. R. Arnold
Production Credit Commissioner

The Production Credit System was born out of necessity. Frequently neither the amount of credit extended nor the date on which repayment was due was adjusted to the farmer's needs. Rates of interest were usually high on cash loans, while those who were forced to use merchant credit paid even more dearly for the service. Good farmers lacking in collateral but having repayment ability were often denied loans. Then in certain periods of panic and economic distress, credit to large numbers of farmers was not available under any conditions.

In 1933, the Congress provided 120 million dollars to capitalize the Production Credit System as a permanent cooperative lending agency and appropriated 2 million to pay the expenses of the Washington office through the early years. No further appropriations have been made, and no Government money is lent. All operating expenses of local, district, and national offices are being paid out of income from interest on loans and invested capital.

In 1946, the 504 production credit associations made 228,000 loans. Probably 75 percent of these were budgeted so funds would be forthcoming when needed and repayments could be made as farm products were sold. Practically all loans are made on the basis of an analysis of the farm business, the progress of the borrower, and his ability to repay. This requires a knowledge of farm management in which association people have had to be trained with the assistance of the Extension Service.

Production credit associations have made great strides toward complete local ownership. There was no farmer capital in the system when it started. Each borrower became a stockholder to the extent of approximately 5 percent of his loan when he first obtained credit. From this small beginning, the stockholdings of farmers have grown in 13 years to 38 million dollars. At the same time reserves have accumulated to the extent of nearly 39 million dollars, making a total of 77 million dollars of farmer ownership. This growth in farmer ownership has permitted a gradual withdrawal of Government capital. More than 10,000 members have purchased stock over and above the amount needed to support their loans in order to hasten the day of complete farmer ownership. Twelve associations have reached this goal. In 114 additional associations, the Government's investment is \$50,000 or less.

Last year the associations lent 615 million dollars. We expect this amount to be exceeded in 1947 and the members to go above 400,000. Higher prices, mechanization, and permanent investments are increasing the need for operating credit. At this time, we are laying great stress on making only sound loans. In extending credit on this basis, we are simply applying the sound farm management principles which Extension has been stressing for years.

RECENT DEVELOPMENTS IN COOPERATIVE LOANS AND USE OF THE REVOLVING CAPITAL PLAN

S. Y. McConnell
Assistant Deputy Cooperative Bank Commissioner

Since their organization in 1933, the banks for cooperatives have advanced more than 2½ billion dollars in loans to cooperative associations with a remarkably low percentage of losses. The credit for this low loss ratio is shared by the banks for cooperatives with the Extension Service because of the counsel and assistance rendered cooperative associations by the members of its staff.

In the calendar year 1946 the 13 banks for cooperatives extended credit to farmers' cooperative associations in the amount of \$458,151,000, or \$97,000,000 more than they did in 1945. Based upon the amount of credit that has been extended by the banks for cooperatives thus far in 1947, it now seems entirely possible that an even larger volume of loans will be made this year.

Probably the most important credit problem immediately facing the cooperative banks is the financing of inventories. In a few commodity fields the backing up of inventories of processed foods in the hands of marketing cooperatives has become evident for the first time in a number of years. Inventories of farm supplies in the hands of purchasing cooperatives also present cause for concern to banks for cooperatives because of the rapidity with which price declines can occur. The elimination of price controls on grain caused a serious drop in the value of processed feeds. One association, for example, was reported as having suffered losses equal to 50 percent of its net worth which had been built up from savings over a period of years.

Another problem confronting cooperative associations in which the banks are vitally interested involves retention of membership support and interest. One of the most effective methods is known as the revolving capital plan. In its simplest terms the plan provides that as the product - whether it be cotton, grain, apples, or any other commodity - passes through the cooperative, the association deducts a retain from the sales proceeds due the member. This retain is taken out for capital purposes only and should not be confused or identified with amounts deducted or retained to pay operating expenses.

At the rate of 1 cent a pound, 2 cents a bushel, or 3 cents a box, or whatever is decided upon, these deductions accumulate in the treasury of the cooperative association. At the end of the year, or at the close of the marketing season, the accounting department totals up the amount of retains deducted for the account of each producer. Then a certificate is issued to the member for the amount of the deductions which the cooperative association has made for capital purposes. This same process goes on year after year. When the amount of capital accumulated is considered sufficient, the directors may call in and retire at par the oldest outstanding certificates

GENERAL DISCUSSION

KEPNER: On attending the farm economics association meetings, I was impressed with the discussion on farmers' cooperatives and the stress that was laid on the need for work on the philosophy of cooperation. Maybe we have reached the period when we ought to be giving more attention to cooperative credit. Are we keeping potential clients of the Farm Credit System informed of what it is? Of its philosophy? Of what is implied in cooperative credit? In handling, this probably requires a great deal of educational statesmanship. I am not proposing a propaganda campaign, but educational work on what farm credit associations are and their relation to farmers.

DUGGAN: The program, of course, should be based on what are the uses of credit and what are the sources rather than the promotion of FCA institutions. There is also a place for the country banker. There is misapprehension, too, of just what cooperatives are. Is cooperation a part of our private economy or something else? That is a delicate problem to handle.

BOATMAN: I wonder how many people know that the PCA's are paying out, becoming totally farmer-owned, that you don't lend Government money. Then, how many know how to use the facilities of the FCA in the right way?

ARNOLD: At first everybody called us a Government agency. Farmers thought of the stock as a loan fee. It has taken a great deal of educational work to develop not only the operations of these cooperatives, but the philosophy itself. A lot of thought and action, too, can be given to that thing. We have a lot of advisory committees in the associations, and we found that most of the new members said they came because of some other satisfied member. The percentage of farmers that really know about PCA's is down pretty low.

COLVIN: We have realized that our own members (NFLA's) don't all know they belong to a cooperative. We have emphasized it in our literature. One of the most effective ways of teaching it is to hand out a dividend check at the membership meetings. We hope that most of the fellows getting them will talk about it to other people.

McCONNELL: The American Institute of Cooperation has been very active in holding cooperative clinics. They have done a good job, and the good they have done has been reacting to the benefit of all cooperatives.

DIXON: Your local appraisers are tremendously helpful in putting over land appraisal demonstrations. What is the outlook for this year? Will appraisers have a little more time?

COLVIN: We have had fine results. I'll let Harry Thomas answer as to appraisers.

THOMAS: As far as I know, no bank is unwilling to cooperate to the utmost of its ability. I am sure there would be men available to work with you in whatever need you have for us.

DUGGAN: One other thing we haven't touched on: We have done a good bit on classifying land as to the debt load it can carry. An excellent study was put out in the State of Washington in cooperation with the college.

WILSON: The county agent in Greene County, Iowa, told me they had a discussion of land values in the Extension Advisory Committee. They said farmers in Greene County should not pay more than \$200 per acre for land if they expect to pay for it out of farm income. "Cap, how frequently does the county agent participate in making that budget?"

ARNOLD: We don't have any figures on that. The county agent very seldom participates at the time the budget is set down. A considerable percentage of the people the associations make loans to are those with whom the county agents work. Generally, the contact between the two agencies is relatively close. At the last dozen annual meetings of PCA's that I have attended I think that in 8 or 9, the county agent was present or had a part. We figure we helped about 200,000 farmers make out financial budgets last year.

WALL: One idea occurred to me in connection with budgeting and financial planning for the farm and the family living. I wonder if we need a new focus for the extension program in farm credit. Is there a need to educate farmers, particularly young farmers, as to what is an efficient farm unit? This would cut across several programs now under way, such as tenure and land value. An effective program in this field might eliminate many mistakes made in buying a farm that is too small or of too low a grade to afford a satisfactory standard of living. Perhaps some of the youth would see that they had better stay longer as tenants. Further efforts to develop more effective father-son partnership arrangements would tend to maintain the continuity of farm units and probably would provide a more liberal income and retirement program for the parents.

ARNOLD: One problem we meet is the two-horse farmer who is mechanizing. He has as much in his equipment as he has in his land.

BOATMAN: There is a lot of subject matter in your discussion this morning that would be helpful to Extension workers everywhere in developing an understanding of your organization.

DIXON: Maybe we can prepare a summary of the fine suggestions of this conference and get it out to the States. It should be helpful to both FCA regional and State Extension personnel.

CURRENT BUREAU OF AGRICULTURAL ECONOMICS RESEARCH
DEVELOPMENTS RELATING TO CREDIT ASPECTS OF
EXTENSION EDUCATIONAL PROGRAM

Farm Real Estate Trends.- In order to provide a current picture of developments, a report "Current Developments in the Farm Real Estate Market" is issued three times a year, showing trends in farm real estate values, transfers, and related data. (Processed)

Annually there is issued "The Farm Real Estate Situation," a printed publication, summarizing developments during the preceding year and presenting various types of information bearing on the farm land market.

In addition there are regional reports issued, from time to time, based on transfer data for selected counties showing consideration, type of buyer, financing, etc.

Farm-Mortgage-Debt Estimates.- Annually, estimates of total farm-mortgage debt, by States, are issued, usually in May or June. Every 5 years, a cooperative project with the Bureau of the Census establishes bench-mark estimates and also provides a break-down by tenure of operator. A revision on the basis of the 1945 Census is now under way and will be released in 1947.

Trends in Deposits of Country Banks.- In order to provide current indication of changes in the deposit holdings of country banks, various group indices of demand and time deposits are made available each month in mimeographed form. These series are available for the period 1924 to date. Estimates of the amount of deposits held by farmers are made annually and appear in the annual publication "The Balance Sheet of Agriculture."

The Balance Sheet of Agriculture.- This publication, issued annually, provides an over-all picture of the financial structure of agriculture, both assets and liabilities.

Agriculture Finance Review.- This publication issued annually presents a summary of research findings in the fields of agricultural credit, farm taxation, and agricultural insurance. A comprehensive statistical appendix presents available data bearing on these three fields.

Special Reports

Research reports are issued from time to time. One of these now in press, "Life Insurance for Farm Families," should find considerable interest among extension workers.

CIRCULARS AVAILABLE FROM THE FARM CREDIT ADMINISTRATION
OR ITS TWELVE DISTRICT OFFICES

GROUP 1

- Circular 1. Federal Land Bank and Land Bank Commissioner Loans -- 8 pp.
- Circular 3. Loans by Production Credit Associations -- 8 pp.
- Circular 5. Agricultural Financing Through the Farm Credit Administration -- 16 pp.
- Circular 6. Loans to Farmers' Cooperatives -- 8 pp.
- Circular 7. The Federal Intermediate Credit Banks -- 8 pp.

These five circulars, size 4 by 9, contain the general information a farmer in need of a loan wants to have before making application, and they present the facts that a well-informed person would like to know about the FCA institutions.

GROUP 2

- Circular 13. When We Appraise Your Farm -- 12 pp.
- Circular 14. Selecting and Financing a Farm -- 12 pp.
- Circular E-29. About That Farm You're Going To Buy -- 12 pp.
- Circular E-30. Paying for a Farm -- 20 pp.

These four circulars discuss the question of land values, appraisals, and relation of debt to repayment capacity of farms. E-30 is directed to leaders.

GROUP 3

- Circular 18. The Credit Road to Farm Ownership -- 18 pp.
- Circular 21. Short-Term Credit - A Good Farm Tool -- 24 pp.
- Circular E-4. The Profitable Use of Farm Credit -- 54 pp.
- Circular E-20. Financing Farmers' Cooperatives -- 16 pp.

These four circulars discuss the basic principles of sound credit use in financing the farm business and farmers' cooperative associations. E-4 is meant for leaders.

GROUP 4

- Circular E-26. Farmers Need Special Credit Facilities -- 32 pp.

This circular discusses the influence of natural and biologic factors on farm management and the use of credit. It was written for leaders in education and credit institutions.

GROUP 5

- Circular 16. Using Credit Instruments -- 32 pp.

This circular presents in nontechnical language information on the significance of the papers frequently signed in business dealings involving the use of credit. Available for leaders.

